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Heating Oil Prices Spike in the Northeast

Augusta--- The Governor's Office of Energy Independence and Security (OEIS) conducted its weekly oil survey on Monday, January 17, 2011 and found that the current statewide average cash price for No. 2 heating oil to be at **\$3.18 per gallon**, an eight cent increase from last week.

"Although an Alaska pipeline that provides 11 percent of U.S. crude oil production has been repaired and is resuming flow to the lower-48 states, heating oil prices continue to spike in the Northeast," said OEIS Director John Kerry. "Bloomberg reports that OPEC will need to bump up crude supplies by 400,000 barrels a day to 29.4 million a day in 2011 to meet rising demand from emerging economies, including China. The good news is that inventories remain high. The Energy Information Administration expects average household expenditures for space-heating fuels to remain higher than last year but many believe we're close to the peak. Maine residences and businesses should continue to take energy efficiency and conservation measures to ride out the cold weather."

As of January 17, 2011

Heating Oil	Statewide	Southwest	Central	Eastern	Western	Northern
Average	3.18	3.09	3.22	3.27	3.08	3.37
High	3.44	3.25	3.35	3.35	3.20	3.44
Low	2.98	2.98	3.05	3.13	3.00	3.35
Kerosene	3.54	3.47	3.61	3.64	3.31	3.77
Propane	2.84					

It is important to note that the price for heating oil is a statewide average and that prices in a given geographic region of the state may be considerably higher or lower than the statewide average. Within the OEIS sample, the lowest actual heating oil price of \$2.98 per gallon was found in the Southwest region. The highest price of \$3.44 per gallon was found in the Northern region. The statewide kerosene price average is \$3.54 per gallon at this time. The statewide average for propane based on a use of 925 gallons a year is \$2.84 per gallon. The table above provides current Maine cash prices in dollars rounded to the nearest penny. On January 17, the price of WTI crude oil, a major driver of refined product prices, including heating oil was \$91.54.

The Efficiency Maine Home Energy Savings Program links Maine homeowners with qualified, certified contractors who provide one-stop-shop access to a whole-house approach to home improvements. For program details call 866-376-2463 or visit www.efficiencymaine.com. Businesses should take advantage of Efficiency Maine's small business loan program to make energy upgrades: http://www.efficiencymaine.com/business_programs.htm.